



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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August 7, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS: BUS STOP SHELTER
LICENSE AGREEMENT NO. 63885 – AMENDMENT NO. 4
CLEAR CHANNEL OUTDOOR, INC.
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that this project is exempt from the provisions of the California Environmental Quality Act.
2. Approve the continuation of the bus stop shelter program utilizing Clear Channel Outdoor, Inc., to install and maintain bus stop shelters in various locations of unincorporated County areas.
3. Authorize the Director of Public Works or his designee to negotiate and execute Amendment No. 4 to Agreement No. 63885 with Clear Channel Outdoor, Inc., to provide these services on a month-to-month basis, not to exceed 12 months beginning September 11, 2007, while the Department of Public Works completes a solicitation for a new license Agreement.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

Inc., to install and maintain approximately 280 bus stop shelters in unincorporated County areas. Your Board approved the ten-year Agreement, Agreement No. 63885, on September 10, 1990. On October 7, 1999, your Board approved Amendment No. 1 to this Agreement. Amendment No. 1 authorized the installation of an additional 500 shelters, modified the revenue to be paid by Metro Display Advertising, Inc., to be the greater of \$100,000 per year or 15 percent of the gross advertising revenues less agency commissions, and authorized the Director of Public Works to implement a five-year extension of the Agreement effective September 11, 2000. On September 6, 2005, and on August 29, 2006, your Board approved Amendment Nos. 2 and 3, respectively, to this Agreement. Amendment Nos. 2 and 3 each provided for a 12-month continuation of the Agreement on a month-to-month basis while the Department of Public Works proceeded with the vendor solicitation process for the Advertising Bus Stop Shelter Program.

Metro Display Advertising, Inc., is now doing business as Clear Channel Outdoor, Inc. They currently operate and maintain approximately 350 advertising bus stop shelters in unincorporated areas of the County of Los Angeles. Many of these shelters were installed over ten years ago and are at the end of their useful life. Although Clear Channel Outdoor, Inc., is not willing to replace the existing shelters without a new long-term commitment, they are willing to continue maintaining the existing shelters and replace shelters as needed.

The Department of Public Works has revised the scope of work to reflect the current needs and expectations of the communities for the advertising bus stop shelters to be more aesthetically pleasing similar to those the County is proposing to install along several Metropolitan Transit Authority Rapid Bus routes. We are proposing to include more stringent maintenance and trash collection requirements at the bus stop shelters to be installed under the new license agreement and at the proposed Rapid Bus Stop Shelters. We expect to complete the scope of work this fall and select a vendor by the summer of 2008.

The extension will be negotiated and agreed upon with the current vendor, Clear Channel Outdoor, Inc., after your Board's approval of this item. The attached proposed Amendment has been approved as to form by County Counsel. The final version of Amendment No. 4 to Agreement No. 63885 will be reviewed and approved as to form by County Counsel prior to the Director of Public Works, or his designee, signing it.

FOURTH AMENDMENT TO LICENSE AGREEMENT NO. 63885

THIS FOURTH AMENDMENT to AGREEMENT NO. 63885 is made and entered into by and between the COUNTY OF LOS ANGELES (hereinafter referred to as COUNTY) and CLEAR CHANNEL OUTDOOR, INC., (hereinafter referred to as LICENSEE).

W I T N E S S E T H

WHEREAS, on September 10, 1990, COUNTY entered into AGREEMENT No. 63885 with Metro Display Advertising, Inc., d.b.a. Bustop Shelters of California, Inc., (hereinafter referred to as AGREEMENT) to provide for the placement and maintenance of transit shelters at selected locations on portions of COUNTY streets and highways; and

WHEREAS, on January 23, 1998, Eller Media, Inc., a subsidiary of Clear Channel Communications, Inc., acquired Metro Display Advertising, Inc.; and

WHEREAS, on July 2, 2001, Eller Media, Inc., changed their operating name to Clear Channel Outdoor, Inc.; and

WHEREAS, the First Amendment to this AGREEMENT was approved on October 19, 1999, to modify the revenue portion of the AGREEMENT and to exercise the option to implement a contract extension through September 10, 2005; and

WHEREAS, the Second Amendment to this AGREEMENT was approved on September 6, 2005, to extend the AGREEMENT on a month-to-month basis, up to 12 months through September 10, 2006; and

WHEREAS, the Third Amendment to this AGREEMENT was approved on August 29, 2006, to extend the AGREEMENT on a month-to-month basis, up to 12 months through September 10, 2007; and

WHEREAS, COUNTY has a need for LICENSEE to continue to provide bus stop shelter service for the Advertising Bus Stop Shelter Program (hereinafter referred to as PROGRAM); and

WHEREAS, LICENSEE will continue to compensate COUNTY fifteen percent (15%) of the gross advertising revenues, after agency sales commission, received for rental of advertising space on all advertising bus stop shelters installed under this PROGRAM, with a guaranteed minimum of One Hundred Thousand and 00/100 Dollars (\$100,000.00) per year; and

WHEREAS, the parties desire to extend the service beyond September 10, 2007, for up to an additional year on a month-to-month basis while the COUNTY completes its solicitation process for a new Agreement for this service.

IN WITNESS WHEREOF, the parties hereto have caused this Fourth Amendment to AGREEMENT to be executed by their respective officers, duly authorized, by CLEAR CHANNEL OUTDOOR, INC., on _____, 2007, and by the Director of Public Works, pursuant to authority delegated by the Board of Supervisors of the COUNTY OF LOS ANGELES on _____, Agenda Item No. ____.

COUNTY OF LOS ANGELES

By _____
Director of Public Works

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By _____
Deputy

CLEAR CHANNEL OUTDOOR, INC.

By _____
Greg McGrath
General Manager

By _____
Layne Lawson
Director of Public Affairs

ALL SIGNATURES MUST BE
WITNESSED BY NOTARY
(Attach appropriate acknowledgments)

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